

Sixty-second
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1268

Introduced by

Representatives Keiser, Skarphol

Senators Warner, Lyson

1 A BILL for an Act to amend and reenact subsection 2 of section 57-51-15 of the of the North
2 Dakota Century Code, relating to allocation between counties and the state general fund of oil
3 and gas gross production tax revenues from production within the Fort Berthold Reservation;
4 and to provide an effective date.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 2 of section 57-51-15 of the North Dakota Century
7 Code is amended and reenacted as follows:

8 2. a. After deduction of the amount provided in subsection 1, annual revenue collected
9 under this chapter from oil and gas produced in each county must be allocated as
10 follows:

11 ~~a.~~(1) The first two million dollars must be allocated to the county.

12 ~~b.~~(2) The next one million dollars must be allocated seventy-five percent to the
13 county and twenty-five percent to the state general fund.

14 ~~c.~~(3) The next one million dollars must be allocated fifty percent to the county and
15 fifty percent to the state general fund.

16 ~~d.~~(4) The next fourteen million dollars must be allocated twenty-five percent to the
17 county and seventy-five percent to the state general fund.

18 ~~e.~~(5) All annual revenue remaining after the allocation in
19 ~~subdivision d~~paragraph 4 must be allocated ten percent to the county and
20 ninety percent to the state general fund.

21 b. For purposes of this subsection only, "annual revenue collected under this
22 chapter from oil and gas produced in each county" means the full amount of tax
23 under this chapter applied to all wells within the county, including any such wells
24 located within the Fort Berthold Reservation. However, this subsection may not

1 be interpreted to reduce any allocation to the Three Affiliated Tribes under
2 chapter 57-51.2 or an agreement under that chapter. Allocations under this
3 subsection to a county from tax applied to wells within the Fort Berthold
4 Reservation are payable solely from the state's share of revenue as allocated
5 under chapter 57-51.2 or any agreement under that chapter.

6 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable events occurring after
7 June 30, 2011.